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STATUTORY INSTRUMENTS

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**2006 No. 964**

**The Authorised Investment Funds (Tax) Regulations 2006**

**PART 7**

CONSEQUENTIAL AMENDMENTS AND MODIFICATIONS OF ENACTMENTS

CHAPTER 2

MODIFICATIONS OF THE TAX ACTS

**Modifications of ICTA**

**94.**—(1) ICTA is modified as follows.

(2) In section 402 (surrender of relief between members of groups and consortia) after subsection (3) the following subsection is treated as inserted—

“(3AA) For the purposes of this Chapter—

- (a) an open-ended investment company cannot be either the surrendering company or the claimant company, and
- (b) an authorised unit trust shall not be regarded as a company.”

(3) In section 413 (interpretation of Chapter 4), in subsection (2), the following definitions are treated as inserted at the appropriate places—

““authorised unit trust” has the meaning given by section 468(6);

“open-ended investment company” has the meaning given by section 468A(2);”

(4) In section 413 after subsection (3) the following subsection is treated as inserted—

“(3A) For the purposes of paragraph (a) of subsection (3) above an open-ended investment company cannot be the third company mentioned in that paragraph.”

[<sup>F1</sup>(4A) After paragraph (b) of section 432A(1ZA) of ICTA (apportionment of income and gains), there is treated as inserted—

“(ba) income from property income distributions to which regulation 69Z15 of the Authorised Investment Funds (Tax) Regulations 2006 apply (property income distributions by an open-ended investment company.”]

(5) In section 832 (interpretation of the Tax Acts) after subsection (2) [<sup>F2</sup>the following subsection is treated as inserted] —

“(2A) The definition of “ordinary share capital” does not include the issued share capital of an open-ended investment company.”

(6) In section 834 (interpretation of the Corporation Tax Acts), in subsection (3), the words “except in so far as regulations made under section 17(3) of the Finance (No. 2) Act 2005 make other provision for dividends treated as paid by virtue of those Regulations ” are treated as substituted for the words from “except in so far as” to the end.

(7) In Schedule 20 (charities: qualifying investments and loans) after paragraph 6 the following paragraph is treated as inserted—

“**6A.** Shares in an open-ended investment company.”.

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**Textual Amendments**

- F1** Reg. 94(4A) inserted (with effect in accordance with reg. 1(2)(4) of the amending S.I.) by [The Authorised Investment Funds \(Tax\) \(Amendment No. 3\) Regulations 2008 \(S.I. 2008/3159\)](#), regs. 1(1), **28**
- F2** Words in reg. 94(5) substituted (6.4.2007) by [The Authorised Investment Funds \(Tax\) \(Amendment No. 2\) Regulations 2007 \(S.I. 2007/794\)](#), regs. 1(1), **6**

**Changes to legislation:**

There are currently no known outstanding effects for the The Authorised Investment Funds (Tax) Regulations 2006, Section 94.